



MPUMALANGA ECONOMIC GROWTH AGENCY
MEGA OFFICE PARK
02 EASTERN BOULEVARD,
RIVERSIDE
MBOMBELA

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TEL: +27 13 492 5818
WWW.MEGA.GOV.ZA

BID

FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE EQUITY INVESTMENT MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS

Issued by:

MPUMALANGA ECONOMIC GROWTH AGENCY
SUPPLY CHAIN MANAGEMENT UNIT
MEGA OFFICE PARK
02 EASTERN BOULEVARD
RIVERSIDE
MBOMBELA
1200

MEGA / 2027 / 06

CLOSING DATE: 06 NOVEMBER 2026 AT 12:00 PM

NAME OF A BIDDER: _____

TOTAL PRICE (all inclusive): _____

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE BELOW MENTIONED TENDER OF MPUMALANGA ECONOMIC GROWTH AGENCY

BID NUMBER:	MEGA / 2027 / 06	CLOSING DATE:	06 NOVEMBER 2026	CLOSING TIME:	12H00
DESCRIPTION	FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE EQUITY INVESTMENT MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , MEGA Office Park, 02 Eastern Boulevard, 1 st floor, Supply chain management unit					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. S Lekhuleni		CONTACT PERSON	Ms S Nkwinika	
TELEPHONE NUMBER	013 492 5818		TELEPHONE NUMBER	013 492 5818	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	sibusiso.lekhuleni@mega.gov.za		E-MAIL ADDRESS	smangele.nkwinika@mega.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
<i>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?</i>	☐ Yes ☐ No [IF YES ENCLOSE PROOF]			<i>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS/SERVICES OFFERED?</i>	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION	☐ YES ☐ NO

IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

TERMS OF REFERENCE: MEGA/2027/06

FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE EQUITY INVESTMENT MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS

1. INTRODUCTION

The Mpumalanga Economic Growth Agency, hereinafter referred to as “**MEGA**” is a schedule 3D entity of the Mpumalanga Provincial Government with a mandate of stimulating economic growth in the Province through inter alia:-

- (i) the provision of funding to SMMEs, Co-operatives and Agricultural enterprises, as well as the provision of housing loans to citizens of Mpumalanga within the gap market;
- (ii) proactively identifying investment opportunities within the Province, attracting investment into such opportunities through various trade and investment promotion initiatives, as well as facilitating that such investments into the province derive maximum development impact;
- (iii) delivering massive infrastructure within the Province;
- (iv) the development and management of property in the form of industrial parks which stimulate economic activity in the Province.

In exercising its powers and functions as articulated in the Act, [“the MEGA Act 1 of 2010”], the entity must continually broaden the participation of Mpumalanga citizens in all the sectors of the economy and accordingly contribute, whether directly or indirectly, to the alleviation of poverty, unemployment and inequality.

2. PURPOSE

The Mpumalanga Economic Growth Agency (MEGA) is seeking to appoint a qualified and experienced Equity Investment Firm (hereinafter referred to as "the Firm") to provide comprehensive equity investment management services.

3. BACKGROUND

The appointed service provider will be responsible for managing MEGA's equity investment portfolio, identifying and evaluating investment opportunities, optimising investment returns, managing investment risk, and ensuring compliance with applicable legislation, governance frameworks and MEGA's Investment Policy, while supporting the Agency's strategic objective of achieving sustainable financial and developmental impact.

4. SCOPE OF WORK

The appointed **Equity Investment Firm** shall provide comprehensive equity investment management services to the Mpumalanga Economic Growth Agency (MEGA) and shall be responsible for, but not limited to, the following scope of work:

4.1 Portfolio Management

The successful bidder shall:

- Undertake discretionary management of MEGA's equity investment portfolio in accordance with the approved investment mandate, investment policy and prescribed risk parameters.
- Identify, evaluate and recommend suitable equity investment opportunities across various industries and strategic sectors.
- Execute investment transactions and undertake periodic portfolio rebalancing to optimise investment performance.
- Develop and implement investment strategies that maximise long-term capital growth, income generation and return on investment while remaining within MEGA's approved risk appetite.

4.2 Investment Research and Due Diligence

The appointed Firm shall:

- Conduct comprehensive due diligence on all proposed investment opportunities.
- Perform detailed financial, commercial, legal and strategic assessments of potential investments.
- Provide continuous market research, economic outlook reports and investment recommendations.
- Analyse industry trends, company fundamentals and macro-economic factors that may influence investment performance and portfolio value.

4.3 Risk Management

The successful bidder shall:

- Develop, implement and maintain an effective investment risk management framework.
- Continuously monitor investment performance and portfolio risk exposure.
- Ensure compliance with all investment limits, mandates and risk parameters approved by MEGA.
- Provide periodic risk assessments together with recommendations to mitigate identified investment risks.

4.4 Performance Reporting and Stakeholder Communication

The appointed Firm shall:

- Submit comprehensive quarterly investment performance reports detailing portfolio returns, asset allocation, investment performance and market commentary.
- Provide regular updates on market developments, investment strategies and significant portfolio activities.
- Maintain transparent and effective communication with MEGA's Finance and Investment Committee, Executive Management and Board.
- Attend quarterly performance review meetings and any additional meetings as requested by MEGA to discuss portfolio performance and investment strategy.

4.5 Compliance and Corporate Governance

The successful bidder shall:

- Ensure full compliance with all applicable legislation, regulatory requirements and MEGA's Investment Policy and governance framework.
- Implement and maintain effective compliance systems, including Anti-Money Laundering (AML) and Know Your Customer (KYC) controls.
- Incorporate Environmental, Social and Governance (ESG) principles into investment decision-making where applicable.
- Exercise and manage shareholder proxy voting rights in accordance with MEGA's governance requirements and investment policies.

4.6 Deliverables

The appointed Firm shall, at a minimum, provide the following deliverables:

- Approved investment management strategy and implementation plan.
- Ongoing portfolio management services.
- Investment due diligence reports.
- Quarterly investment performance reports.
- Quarterly market outlook and economic analysis reports.
- Quarterly risk management reports.
- Compliance and governance reports.
- Quarterly presentations to the MEGA Finance and Investment Committee and/or Board.
- Ad hoc investment advisory services and strategic recommendations as requested by MEGA.

5. EVALUATION CRITERIA

THE ADJUDICATION METHOD

The three-stage tender evaluation and awarding process will be used to adjudicate the tender documents that will be submitted by potential bidders. The stages are described as being:

- Stage 1: Responsiveness assessment: Tenders evaluated for responsiveness based on the mandatory requirements stated.
- Stage 2: Functionality assessment
- Stage 3: Financial offer (tender price) evaluation and Empowerment adjudication: Evaluation of the bidders scores for the price submitted and scoring of bidders on specific goals as per Preferential Procurement Regulations of 2022 will be recommended for appointment.

80/20 evaluation criteria will be used for this bid.

Appointment of a preferred bidder(s)

Subject to the provisions of MEGA Supply Chain Management Policy and the Procurement regulations of 2022,

MEGA reserves the right to:

- a) Appoint one or more bidder(s) to provide the required service.
- b) where applicable, negotiate the final fee or rates with the preferred bidder(s).
- c) Consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures**, where relevant.
- d) Require shortlisted bidder(s) to make a presentation and/or participate in an interview as part of the evaluation and selection process; and
- e) Not make an appointment should the bids received not meet MEGA's requirements or should the appointment not be in the best interest of MEGA.

Note: The pricing submitted by bidders shall be used for evaluation purposes. Any final fee or rates agreed through negotiations with the preferred bidder(s) shall be subject to the applicable procurement requirements, approvals and the terms and conditions of the final agreement.

5.1 MANDATORY REQUIREMENTS

All the submitted proposals will be assessed for compliance with the mandatory requirements listed below:

TABLE A: MANDATORY REQUIREMENTS

(Failure to meet the requirements below, the bidder will be disqualified)

1.	A Valid Financial Sector Conduct Authority (FSCA) licence/authorisation confirming the bidder is authorised to provide discretionary investment management services as a Financial Services Provider (FSP). The licence must be valid on the closing date of the bid.
2.	Company /CC/Trust/Partnership registration certificates
3.	Fully completed pricing schedule
4.	Proof of Professional Indemnity Insurance , valid on the closing date of the bid.
5.	Fully completed, signed Standard bidding documents (SBD1; SBD4; SBD6.1)
6.	Letter of authority to sign the bidding documents
7.	Certified copies of Directors' or Shareholders Identity documents
8.	Proof registration on Central Supplier Database (Detailed report)
9.	Letter of approval by the Executive Authority to do business if the entity has a member(s) who is / are Government employees
10.	Certified copies of academic and professional qualifications of the proposed key members
11.	Curriculum vitae of all proposed key members

5.2 FUNCTIONALITY ASSESSMENT

Responsive bids will first be evaluated on functionality and only bidders who score **70 points or more of the 100** points will be evaluated further on price and Specific Goals.

Bidders who score less than the **minimum threshold of 70 points** will automatically be disqualified.

The scores in respect of each of the criteria are as follows:

1. Functionality Criterion	Weight	Points Scored
1. Company Experience in Institutional Equity Investment Management Services 1.1 Project team organogram Company profile indicating the number of years providing institutional equity investment management services. Scoring: • Ten (10) years or more = 20 Points • Eight (8) – Nine (9) years = 16 Points • Six (6) – Seven (7) years = 12 Points • Four (4) – Five (5) years = 8 Points • Less than Four (4) years = 4 Points • No proof submitted = 0 Points 1.2 Key personnel experience (CV's) Evaluation will be based on the proposed project team submitted by the bidder, considering the qualifications, relevant experience and expertise of the personnel proposed in relation to the Scope of Work and required deliverables.	40	

Bidders must submit a **project team organogram and CVs** for the proposed Lead Portfolio Manager(s), Investment Team/Research Analysts and Risk Management Specialist(s).

Scoring Guide:

20 Points: The proposed project team is highly suitable, with all key personnel appropriately qualified and demonstrating extensive, directly relevant experience in institutional equity investment management and the requirements of the Scope of Work.

15 Points: The proposed project team is suitable, with appropriately qualified key personnel demonstrating substantial relevant experience aligned to the Scope of Work and required deliverables.

10 Points: The proposed project team is partially suitable, with generally appropriate qualifications and moderate relevant experience, but with some limitations in relation to the Scope of Work and required deliverables.

5 Points: The proposed project team demonstrates limited suitability, with some relevant qualifications and experience but significant gaps in meeting the requirements of the Scope of Work.

0 Points: The proposed project team is not suitably qualified or experienced, or the required CVs and supporting information have not been submitted.

Note: Only personnel specifically proposed for the assignment and supported by submitted CVs will be considered for evaluation.		
2. Experience in comparable projects		
2.1. Appointment letter(s) from similar completed projects; Similar projects shall be institutional equity investment management services rendered to National or Provincial Government Departments, Municipalities, Schedule 2 or Schedule 3 Public Entities, State-Owned Companies, Development Finance Institutions (DFIs), Public Pension Funds or similar institutional investment clients. Scoring: • Five (5) qualifying projects = 50 Points • Four (4) qualifying projects = 40 Points • Three (3) qualifying projects = 30 Points • Two (2) qualifying projects = 20 Points • One (1) qualifying project = 10 Points • No qualifying project = 0 Points	50	
2.2. Methodology and Investment Management Approach Submit a detailed methodology demonstrating the investment philosophy, portfolio management strategy, investment research methodology, due diligence process, investment decision-making process, risk management framework, ESG integration, stakeholder engagement, implementation plan and reporting framework.	10	

Scoring: • Comprehensive methodology addressing all requirements = 10 Points • Good methodology addressing most requirements = 7 Points • Satisfactory methodology addressing basic requirements = 5 Points • Limited methodology with significant gaps = 3 Points • No methodology submitted = 0 Points		
Total Functionality	100	

A bidder who scores less than 70 points on functionality will not be evaluated further for Price and Specific Goals

5.3 EVALUATION OF PRICE AND SPECIFIC GOALS

The **80/20 preference point system** shall be applied for the purpose of this bid, as per the requirements of the *Preferential Procurement regulations, 2022*

Criteria	Points
Points on Price	80
Specified Goals	20
TOTAL	100

The 80/20 preference point system for acquisition of services, works or goods up to the Rand value of R50 Million (VAT inclusive):

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

$P_{\min}$ = Price of the lowest acceptable tender

A maximum of 20 points can be awarded to a tenderer for the specific goals specified for the tender.

The points scored for the specific goals will be added to the points scored for price.

PRICING SCHEDULE

Bidders are required to complete the pricing schedule below. The prices submitted shall be **used for tender evaluation purposes only** and shall not be regarded as the final fees payable under the appointment.

PRICING SCHEDULE - FOR EVALUATION PURPOSES ONLY

AUM (Assets Under Management): R100,000,000

No.	Description	Unit / Basis	Quantity	Bidder's Rate
1	Annual Equity Investment Management and Advisory Fee	% of AUM per annum	1	_____ % R _____
2	Investment Management Strategy and Implementation Plan	Once-off	1	R _____
3	Investment Due Diligence Reports	Per Report	4	R _____
4	Quarterly Investment Performance Reports	Per Report	4	R _____
5	Quarterly Market Outlook and Economic Analysis Reports	Per Report	4	R _____
6	Quarterly Risk Management Reports	Per Report	4	R _____
8	Additional Investment Advisory Services	Per Hour	20 Hours	R _____
9	Additional Investment Committee / Board Meetings	Per Meeting	4 Meetings	R _____
SUBTOTAL (EXCL. VAT)				R _____
VAT				R _____
GRAND TOTAL (INCL. VAT)				R _____
GRAND TOTAL FOR THREE (3) YEAR PERIOD (INCL. VAT)			R _____	

POINTS AWARDED FOR SPECIFIC GOAL(S)

IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022,

Bidders must submit **relevant evidentiary documentation**, as specified in the tender, to support each claim.

Complete below and Refer to attached: SBD 6.1 – Preference Points (Specific Goals)

(Specify your claim on HDI, youth, women, disability and SMME goals)

	POINTS
PRICE	80
SPECIFIC GOALS	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME	4
Total points for Price and SPECIFIC GOALS	100

6. CONFIDENTIALITY

This bid and all information in connection therewith shall be held in strict confidence by interested parties and usage of such information shall be limited to preparation of the bid.

7. ENQUIRIES

Enquiries related to this bid may be addressed via email on or before **02 NOVEMBER 2026**.

ALL SUPPLY CHAIN MANAGEMENT ENQUIRIES MUST BE DIRECTED TO:

SUPPLY CHAIN MANAGEMENT UNIT:

scm@mega.gov.za

ALL TECHNICAL OR PROJECT RELATED ENQUIRIES MUST BE DIRECTED TO:

FUNDING DIVISION:

Ms. Smangele Nkwinika

smangele.nkwinika@mega.gov.za

8. CLOSING DATE AND TIME

Time: **12h00** pm South African Time (GMT +2.00)

Date: **06 NOVEMBER 2026**

9. METHOD AND PLACE OF SUBMISSION

All the Bid documents together with the supporting documents must be submitted in sealed envelope, marked with the Name of bidder, Bid number, Bid description and closing date and be deposited in the tender box as per closing date and time per bid above. The address is as follows:

The address is as follows:

MEGA Head Office

02 Eastern Boulevard, Riverside

Mbombela

1200

All bidders are requested to submit the documents in two [2] formats, namely, one [1] original and [1] Copy on USB.

BID VALIDITY PERIOD

Bids submitted shall remain valid for a period of **one hundred and twenty (120) days** from the closing date of the bid.

BIDDER'S DISCLOSURE**1. PURPOSE OF THE FORM**

- 1.1 Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.
- 1.2 If a person is listed in the Register for Tender Defaulters and/or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

- 2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**
- 2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	Identity Number	Name of organ of state

- 2.3 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**
- 2.3.1 If so, furnish particulars:

.....

- 2.4 Does the bidder or any of its directors/trustees/shareholders members/partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise, whether or not they are bidding for this contract? **YES/NO**

- 2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	Status (active/inactive/deleted)

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification.

3 GENERAL DECLARATION

I,, the undersigned, in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure.
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found to be false.
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act, 1998 (Act No. 89 of 1998) and or may be referred to law enforcement agencies for criminal investigation and or may be restricted from conducting business with the state for a period not exceeding 10 years in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) or any other applicable legislation.

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

.....
Signature

.....
Date

.....
Designation

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the **80/20** preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME	4
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left(1 - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left(1 - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise owned by Black people	N/A	4	N/A	
Enterprise owned by Women	N/A	4	N/A	
Enterprise owned by Youth	N/A	4	N/A	
Enterprise owned by Disabled	N/A	4	N/A	
Enterprise owned by SMME's-QSE and EME	N/A	4	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

- 4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:
- i) The information furnished is true and correct;
 - ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
 - iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
 - iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	
DATE:	
ADDRESS:	
	
	
	